

Global Narcotics Cooperation and Presidential Certification



United States Department of State
Bureau of Public Affairs
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Following is a statement by Ann B. Wroblewski, Assistant Secretary for International Narcotics Matters (INM), before the Subcommittee on Terrorism, Narcotics and International Communications of the Senate Foreign Relations Committee, Washington, D.C., April 5, 1989.

The Bureau of International Narcotics Matters will provide testimony today, in behalf of the Department of State, concerning the determinations on narcotics cooperation, which President Bush certified to Congress on March 1 and on the International Narcotics Control Strategy Report (INCSR), which provides the basis for those decisions.

Summary of Recommendations

President Bush certified The Bahamas, Belize, Bolivia, Brazil, Colombia, Ecuador, Hong Kong, India, Jamaica, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Paraguay, Peru, and Thailand. The President gave a national interest certification to Lebanon and denied certification to Burma, Laos, Panama, Syria, Iran, and Afghanistan.

But, the Administration did much more than simply certify cooperating countries. President Bush in effect gave four ratings: certification, certification with explanations, national interest certification, and denial of

certification. The President provided special statements explaining the certifications of The Bahamas, Bolivia, Colombia, Mexico, Paraguay, and Peru. Secretary Baker, in a special letter to Congress, said that he and President Bush "are both deeply troubled by the state of affairs upon which he based his certification decisions. Despite the hard work and dedication of many public servants and private citizens, both here and abroad, the international war on narcotics is clearly not being won. In fact, in some areas we appear to be slipping backwards."

"Nonetheless," the Secretary continued, "we present you these certifications in good faith in the hope that we can work together against the drug menace. For six countries, there are statements that explain the certification while acknowledging that each of the six can and must do more in the future to end the drug trade."

With respect to denial of certification, let me note that aid is not a factor in Syria, Iran, and Laos or with the Government of Afghanistan; aid had been previously suspended to Burma and Panama. Laos is reportedly seeking a loan through the Asian Development Bank, which will have to be opposed. We do have a continuing interest in POW/MIA [prisoner of war/missing in action] investigations with Laos, which was the basis for the previous national interest certification. However, we felt that the information we had concerning official involvement

was compelling, given the requirements under Section 2013(b). Trade sanctions are discretionary to the President, and no recommendations are made affirmative or negative on trade sanctions for the six countries denied certification.

1988 in Summary

Our annual report was submitted to Congress on March 1 and, for the benefit of this hearing record and for those in the audience who have not read the INCSR, my testimony presents the major findings in the report.

Several critical milestones were met during 1988. Peru eradicated 5,130 hectares of coca—possibly offsetting for the first time any expansion of Peru's coca crop which has been increasing by an estimated 10% a year. Bolivia exceeded its coca eradication targets ahead of schedule and passed landmark legislation which outlaws coca cultivation in most of that country. Colombia seized 23 metric tons of cocaine, while The Bahamas seized 10 tons of cocaine. The year 1988 presented some opportunities for progress:

- The election of new governments in Mexico and Pakistan,
- Evidence of greater international willingness to assist nations facing problems with drug production and trafficking, and
- The growing awareness among developing nations now faced with drug

otherwise tied to bilateral projects or specific interregional activities. This budget provides funding for Washington-based personnel costs, program development and evaluation, special studies, and administrative costs of the bureau.

Summary

Many lessons about the overall effectiveness of our international narcotics control programs were learned during 1988. More than ever we understand that persistence and flexibility are crucial to the long-term success of eradication and interdiction programs. Eradication success will not be measured in a single growing season or even two; the true measure of effectiveness in eradication is the unwillingness of farmers to replant once their crops have been destroyed. Interdiction success is not only a function of the number of seizures reported or laboratories hit but also a function of the institutional capabilities of host countries to attack all links in the drug chain.

One of the most important tasks ahead is to gain control of the cocaine situation through an integrated program of demand reduction at home, eradication, and interdiction. We are at a crossroads in our cocaine strategy: while waiting for Andean governments to launch wide-scale coca eradication programs, the United States has had the opportunity to participate in enforcement operations which require paramilitary expertise, not traditionally resident in drug enforcement organizations. Questions abound: Should the United States continue to commit resources and personnel to operations in the Andean jungles? Are the right agencies being tasked to carry out these missions?

Whatever decisions are made within the next year, one fact remains clear: We will have only limited success in battling cocaine until we forge a comprehensive, multifaceted strategy which recognizes that cocaine is not simply a law enforcement issue but is also a complex foreign policy and economic matter, requiring a long-term approach.

Our international strategy, reported in detail in last year's report, calls for us to explore the possibility of creating a "superfund" to provide economic incentives to nations cooperating with the United States in narcotics control. We stated that such a fund could contain as much as \$300 million to be granted to cooperative governments in an effort to bolster

their legitimate economies and thus compete against the influence of billions of narcodollars. While such a fund may be considered expensive at a time of limited resources, it is a small amount compared to the huge profits generated by the international drug trade. We also need to explore ways to use Third World debt as a lever in gaining cooperation on drug control issues.

The antidrug legislation of 1988 suggests several actions in the area of international narcotics control including exploration of a multilateral strike force, convening a Western hemispheric summit on drugs, and the creation of an international cocaine strategy. The Department will review these recommendations during the coming year.

Country and Regional Summaries: 1988

Southwest Asia

Afghanistan, denied certification last year, produced 700-800 metric tons of opium in this past year and remains a principal but politically inaccessible source of opium/heroin for European and U.S. drug markets. Given the current instability in the wake of the Soviet withdrawal, there are no forecasts as to the time and circumstances under which a government in Kabul will attempt to suppress cultivation and refining. The situation is complicated by the resettlement of Afghan refugees who may turn to opium as a cash crop, increasing the likelihood that production may increase.

India, the world's major producer of licit opium for processing into pharmaceuticals, is of increasing concern to U.S. officials as a transit route for Pakistani and Burmese heroin and for precursor chemicals used in manufacturing heroin. In the last 2 years, concern has grown over diversion from licit production. India continues to reduce licit production in response to a declining market for opium gum. Diversion is estimated at 60-120 metric tons, primarily for domestic consumption. India has long had a sophisticated money laundering system which is but one element in a thriving underground economy. To counter narcotics money laundering, India has adopted new asset forfeiture legislation.

Iran was denied certification last year on grounds of noncooperation.

U.S. officials estimate opium production at 200-400 metric tons. While this amount would not satisfy Iran's domestic addict population, opium and heroin are flowing across Iran from Pakistan and Afghanistan and exported through Turkey and other routes to Western markets.

Nepal is an increasingly used transit point for heroin produced in Pakistan and the Golden Triangle, some of it routed through India and conveyed onward by Indian traffickers. There is concern that traffic could increase in 1989 with the opening of a new international terminal at the Kathmandu airport. While there is no conclusive evidence of money laundering, there is a thriving market in gold, part of which is believed related to narcotics smuggling.

Pakistan opium production remained high in 1988 (205 metric tons), reflecting political instability in growing areas and the continued expansion of the country's domestic addict population. Spurred by awareness of this problem, which may now include 1 million heroin addicts, Prime Minister Bhutto has publicly committed her government to a strong antinarcotics program, including strict enforcement of the poppy ban in all areas. Law enforcement agencies maintained high seizure and arrest rates, but have not pursued major traffickers. One major dealer is awaiting trial in Lahore and another may be extradited to the United States. Money laundering is not a major factor.

Syria is a transit point for illicit narcotics as well as a heroin refining center. Its military exerts significant influence over Lebanon's Bekaa Valley, allegedly profiting from widespread drug production and trafficking in that area. For these reasons, the United States twice denied certification to Syria. However, after a break of more than 2 years, limited discussions have begun on possible narcotics cooperation and assistance to Syria on demand reduction/prevention.

South America

Argentina is of increasing concern as a refining and transit center for cocaine destined for U.S. and European drug markets and as a source of precursor chemicals. U.S. officials are encouraged by a much improved enforcement effort in 1988 (seizures and arrests doubled) but worry about the increasing importation of Bolivian paste and the expansion of a network of domestic cocaine laboratories. The country has a high potential for money laundering.